

2001-014-15

United Defense

Transmitted electronically to 2001-014@gsa.gov

April 25, 2001

General Services Administration  
FAR Secretariat (MVP)  
1800 F Street, NW  
Room 4035  
Washington, DC 20405

Attention: Laurie Durarte

Dear Ms. Durarte:

United Defense appreciates the opportunity to submit comments regarding the interim FAR rule, The Contractor Responsibility, Labor Relations Costs...and Legal and Other Proceedings, FAR Case 2001-014. The proposed rule seeks comments regarding the revocation of the final rule, same subject, issued December 20, 2000.

We are strongly in favor of the full revocation of the final rule and believe the final rule is not in the best interest of the Industry or Government. The rule imposes severe burdens, which outweigh any possible benefits. It is unclear that there is adequate justification for including the added categories of covered laws in the rule and its implementing certification. Contracting Officer (CO) guidance and training outlined in the rule were insufficient and could have caused arbitrary or otherwise abusive implementations, while possibly not intended by the CO.

Revoking the final rule creates little harm to the Government. Without the December 20, 2000 final rule, there is still clear statutory guidance that contractors must be responsible. Offerors must have a satisfactory record of integrity and business ethics. Much of the latter is voluntary by offerors and has existed for many years. From the Government perspective, COs continue to have the authority and duty to make responsible decisions. Additionally, agency debarring officials will continue to have the authority and duty to make determinations to suspend and debar a contractor when warranted. Finally, the final rule appeared to accomplish little more than adding confusion to the already complex acquisition process.

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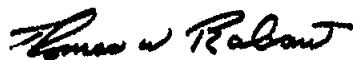
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Also, United Defense supports comments provided by the National Defense Industries Association regarding the final FAR rule. We are very concerned with the possible implications that may result on small and mid-sized contractors.

Again, we appreciate the opportunity to provide our comments to the FAR Case 2001-014.

Sincerely,



Thomas W. Rabaut  
President and Chief Executive Officer